

New South Wales

DIGEST OF CURRENT STATISTICS

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# PART I EMPLOYMENT, BUILDING AND NON-RURAL INDUSTRIES.

EMPLOYMENT. Excluding rural workers and household domestics there was an increase of 13,000 in the number of wage and salary earners in civil employment in March. This compared with an increase of 22,000 during February. The total increase from July 1945 to March 1946 was 41,000, an increase of 46,000 men contrasted with a decrease of 5,000 women.

## WAGE AND SALARY EARNERS IN EMPLOYMENT, NEW SOUTH WALES. (In thousands)

	<u>1939</u> <u>July</u>	<u>1945</u> <u>July</u>	<u>1946 -</u>			<u>Change,</u> <u>July 1945 to Mar. 1946</u>	
			<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>No.</u>	<u>%</u>
Males	530	534	549	569	580	+46	+9
Females	168	252	243	245	247	- 5	-2
Total	698	786	792	814	827	+41	+5

Ø Excluding rural workers, private domestics, and defence forces.

Employment in factories continued to rise in March, but the rise was less than in February. A similar slackening was shown in transport and communication, but in the retail, commerce and professional services groups the rate of increase was maintained:-

### Increase in thousands

	<u>January-February</u>	<u>February-March</u>
Factories	+11.9	+4.8
Transport & communication	+ 3.0	+ .6
Retail, commerce & Professional services etc.	+ 4.9	+5.7

This swing towards the distributive and service industries has been marked over the whole period since August last:-

## EMPLOYMENT BY MAIN INDUSTRIAL CLASSES, NEW SOUTH WALES. (In thousands)

	<u>1939</u> <u>July</u>	<u>1945</u> <u>July</u>	<u>1946-</u>			<u>Change, July</u> <u>1945 to Mar. 1946</u>	
			<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>No.</u>	<u>%</u>
Mining and quarrying	(a)	24.8	23.9	25.1	25.1	+ .3	+ 1
Factories -							
Aircraft, shipbuilding & Governmental munitions	4.2	32.2	18.8	18.9	19.0	-13.2	-40
Other factories	213.8	268.8	271.9	283.7	288.4	+19.6	+ 7
Transport & communication	(a)	102.6	104.3	107.3	107.9	+ 5.3	+ 5
Retail Trade	(a)	69.1	75.7	77.0	78.6	+ 9.5	+14
Other commerce and finance	(a)	56.5	62.8	64.1	66.0	+ 9.5	+17
Professional & personal services	(a)	116.1	121.8	124.1	126.3	+10.2	+ 9
(a) Not available.							

Rehabilitation statistics reveal a similar story of rapid placement in the distributive and service industries, and with placement in manufacturing lagging:-

Number of N.S.W. males in armed forces, 1 August 1945 .....	224,000
" " " " " " " " 1 April 1946 (approx)	92,000
Number discharged, August 1945 to March 1946, inclusive	132,000
Of whom, stated intention of becoming non-rural wage and salary earners	75,000
Actual increase in male employment in non-rural industries, August 1945 to March 1946, inclusive	46,000

The remainder no doubt include large numbers on pre-employment leave. However, a similar comparison by industrial groups shows rapid absorption in the commerce and finance and professional and personal services



groups, and a lag in the manufacturing group:-

EMPLOYMENT OF MALES, NEW SOUTH WALES.  
(In thousands)

Industry	<u>August 1945 to March 1946 (inclusive)</u>	
	Discharged men who stated intention of becoming wage and salary earners	Actual increase in male employment
Mining and quarrying	.8	.3
Manufacturing	28.1	11.5
Transport and communication	10.2	6.5
Commerce and finance, including retail	19.4	17.3
Public administration, professional and personal services	9.9	7.3

The lag in return of men to factories is surprising in view of the acute shortage of many manufactured goods.

It was shown above that employment in the aircraft, shipbuilding and Governmental munitions group of factories had declined by 13,000 since the end of the war, and employment in other factories had risen by 19,600. In this group the metal works, engineering class has increased very little, presumably owing to the shortage of fuel or labour. The textiles class has also shown little rise, the increase being concentrated in the other factories:-

EMPLOYMENT IN MAIN FACTORY CLASSES N.S.W. (a)  
(In thousands)

Factory Class	<u>1945</u>	<u>1946-</u>		<u>Increase, July 1945 to March 1946</u>	
	<u>July</u>	<u>Feb.</u>	<u>Mar.</u>	<u>No.</u>	<u>%</u>
Bricks, cement, glass etc.	10.3	12.4	12.5	+ 2.2	+21
Paper, printing etc.	17.6	19.6	20.2	+ 2.6	+15
Clothing	32.6	35.2	36.2	+ 3.6	+11
Furniture, woodworking, etc.	14.2	15.3	15.6	+ 1.4	+10
Food, drink & tobacco	41.6	44.9	45.4	+ 3.8	+ 9
Metal works, engineering, vehicles(a)	113.8	114.9	115.9	+ 2.1	+ 2
Textiles	15.0	14.9	15.1	+ .1	+ 1
Other factories	26.9	29.9	30.6	+ 3.7	+14

(a) Excludes aircraft, shipbuilding and Governmental munitions factories. The figures refer only to firms large enough to submit Pay-roll Tax returns, and therefore do not correspond to the "adjusted" total of "other Factories" in the earlier table.

Production is limited in many factories by the supply of female labour. In textile factories, especially, the loss of female labour has been serious:-

EMPLOYMENT OF FEMALES IN MAIN FACTORY CLASSES, N.S.W. (a)  
(In thousands)

Factory Class	<u>1945</u>	<u>1946 -</u>		<u>Change, July 1945 to March 1946.</u>	
	<u>July</u>	<u>Feb.</u>	<u>Mar.</u>	<u>No.</u>	<u>%</u>
Metal works, engineering, vehicles(a)	15.5	13.1	12.7	- 2.8	-18
Textiles	18.1	7.1	7.1	- 1.0	-12
Bricks, cement, glass, etc.	.9	.8	.9	-	-
Paper, printing, etc.	6.6	6.6	6.6	-	-
Furniture, woodworking, etc.	1.4	1.4	1.4	-	-
Other factories	9.3	9.3	9.5	+ .2	+ 2
Food, drink & tobacco	13.2	13.3	13.9	+ .7	+ 5
Clothing	25.3	26.8	27.6	+ 2.3	+ 9

(a) Excludes aircraft, shipbuilding & Government munition factories..  
See note to previous table.

The only industrial groups which have shown overall increases in female employment since the war ended are retail trade and professional and personal services:-

EMPLOYMENT OF FEMALES BY MAIN INDUSTRIAL CLASSES, N.S.W.  
(In thousands)

Industrial Class	1945	1946 -		Change, July 1945	
	July	Feb.	Mar.	to March 1946	No. %
Factories-Aircraft, shipbuilding and Governmental munitions	6.2	1.9	1.8	- 4.4	-71
Other factories	80.2	78.0	79.5	- .7	- 1
Transport and communication	14.6	13.8	13.4	- 1.2	- 8
Commerce and finance, other than retail	20.6	20.5	20.5	- .1	-
Professional and personal services	68.5	70.6	71.4	+ 2.9	+ 4
Retail trade	39.2	40.7	41.0	+ 1.8	+ 5
Total, including other	252.1	245.1	246.8	- 5.3	- 2

NEW FACTORIES. Some indication of the direction of new manufacturing activity is given by the figures of contemplated employment in new factories registered in New South Wales in the eleven months ended May, 1946. The figures do not embrace new manufactures in the sense of new products to be manufactured in existing factories.

CONTEMPLATED EMPLOYMENT IN NEW FACTORIES REGISTERED IN ELEVEN MONTHS, ENDED MAY, 1946, N.S.W.

Factory Class	<u>Metropolis.</u>	<u>Balance of</u>	<u>N.S.W.</u>	<u>Percentage of mean</u>
	No.	State.	No.	employment in existing factories in 1944-45.
	No.	No.	No.	%
Clothing	1419	916	2335	6.7
Furniture, etc.	152	29	181	4.5
Sawmills, woodworking etc.	282	214	496	3.8
Bricks, cement, glass etc.	80	75	155	1.6
Metal works, engineering, vehicles etc.	1663	620	2283	1.5
Textiles	108	82	190	1.0
Paper, printing, etc.	113	28	141	.9
Food, drink & tobacco	136	68	204	.6
Other factories	569	119	688	2.1
Total, factories	4522	2151	6673	2.1

INDUSTRIAL DISPUTES. Owing mainly to disputes in the last four months of the year, the time lost due to industrial disputes in industries other than coal-mining in 1945 was higher than in any year since 1917. The figure for coal-mining, however, was still less than that reached in 1940. Comparisons with recent years and with peak years of the past are:-



WORKING DAYS LOST IN INDUSTRIAL DISPUTES, N.S.W.  
(In thousands)

	<u>Coal &amp; Shale</u> <u>Mining</u>	<u>Other</u> <u>Industries</u>	<u>Total</u>
1917	789	2087	2876
1929	2477	738	3214
1933	36	23	59
1937	304	242	547
1938	714	223	939
1939	380	66	446
1940	963	111	1076
1941	405	507	912
1942	226	191	418
1943	336	578	914
1944	432	302	734
1945	681	1245	1923

The corresponding figures for the first four months of 1946 are:-

January	10	20	30
February	11	7	18
March	38	44	82
April	22	40	62

The figure for April includes portion of the time lost through the meat industry dispute. The waterfront dispute, however, did not commence until May,

GAS AND ELECTRICITY. Consumption of gas and electricity is significant at the present time both as an index of industrial activity and as a determinant of the coal stocks position. Sales of gas in Sydney in April were about 40 per cent above the prewar figure, and sales of electricity about 70 per cent. The index of combined sales has risen considerably in recent months:-

INDEX OF CONSUMPTION OF GAS AND ELECTRICITY - SYDNEY.

Average consumption each month 1929-31 = 100

<u>1939</u>	<u>1945</u>	<u>1945-</u>	<u>1946 -</u>				
		<u>Apr.</u>	<u>Aug.</u>	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>
131	172	172	177	165	181	185	189

COAL PRODUCTION. Production of coal in April fell below the level of last year, increasing the deficiency that had occurred during March quarter.

PRODUCTION OF COAL, N.S.W.

Weekly averages (000 tons).

<u>Three years</u> <u>1937 to 1939</u>	<u>Year 1945</u>				<u>Year 1946</u>	
	<u>1st Qtr.</u>	<u>2nd Qtr.</u>	<u>3rd Qtr.</u>	<u>4th Qtr.</u>	<u>1st Qtr.</u>	<u>April</u>
200	198	206	250	138	194	183(a)

(a) Includes Easter period.

The following table showing the disposal of New South Wales coal indicates its importance to the manufacturing and transport industries, and to other States:-

PURPOSES FOR WHICH NEW SOUTH WALES COAL WAS USED.  
(thousand tons)

	1938-39	1942-43	1944-45
Electricity works	1163	1527	1675
Gas works	578	719	772
Cokeworks, iron, steel & metal works	2062	2844	2171
Other factories	947	973	933
Railway locomotives	994	1447	1329
Interstate export	1860	2793	2866
Ships' bunkers & oversea export	1310	668	688
Other	(a)	766	721
Total disposals	(a)	11937	11155

(a) Not available.

Production of coal during the first eighteen weeks of 1946 was 3,447,000 tons compared with 3,620,000 tons in the corresponding period of 1945. It is evident that, unless production rises substantially the total output for 1946 will be substantially below the moderate "requirement" of 11,500,000 tons for 1946. In fact production of iron and steel and in other basic industries is already being hampered for lack of coal. It is evident that as bunker trade for coastal and oversea ships rises and as more and more men return to civil life very much more coal will be required to maintain full employment and all that it implies.

IRON AND STEEL PRODUCTION. Although employment in the iron and steel works in April increased, there was a drop in production of the basic materials - pig iron and ingot steel. It is reported that operations are hampered for lack of coal but Easter holidays affected output in April. In that month also production of pig iron was resumed at Whyalla in South Australia.

IRON AND STEEL, EMPLOYMENT AND PRODUCTION, N.S.W.

	1938-39	1944-45	1945 - Aug.	1946 - Dec.	1946 - Jan.	1946 - Feb.	1946 - Mar.	1946 - Apr.
Employment (thousands)	(a)	(a)	11.0	3.5	10.4	10.9	11.0	11.3
Production index (b)								
Pig iron	1124	1134	1247	29	585	1009	1036	958 (c)
Ingot steel	1032	1126	1167	-	721	1208	1163	1072 (c)

(a) Not available. (b) Average 3 years ended June 1939=1000.

(c) Subject to revision.

Over the past seven months output of pig iron has been substantially below the level of 1938-39. Pig iron being the basic product for all iron and steel products, it is evident that it must register the first impact of lack of fuel. Continuance of the low rate of production of pig iron or further curtailment must progressively affect output of all iron and steel products. Output of galvanised iron has fallen very substantially and is very far below the pre-war level.

BUILDING PROJECTED. The value of new building, private and Government, proposed to be carried out in the Metropolitan area showed a slight fall in April, probably owing to the Easter holidays. The private figures refer to permits issued by local councils, the Government figures to the value of contracts let or day labour works authorised. In pre war years work was begun fairly promptly on approximately 88 per cent of permits. At present the corresponding proportion is not much more than 50 per cent.

SYDNEY AND SUBURBS

Value of Building Projects, Government and Private.  
(In £ thousands)

	Monthly averages -			1946			
	1938-39	First half 1945	Second half 1945	Jan.	Feb.	Mar.	Apr.
Private	1112	209	670	839	1092	1377	1128
Government	112(a)	238	366	309	219	377	199
Total	(b)	447	1036	1148	1311	1754	1327

(a) Second half 1939, earliest available. (b) Not available.



Revival has been shown in recent months in private non-housing projects as well as in dwellings:-

SYDNEY AND SUBURBS  
Value of Building Projects, Dwellings and Other  
(In £ thousands)

	Monthly averages -			1 9 4 6			
	1938-39	First half	Second half	Jan.	Feb.	Mar.	Apr.
		1945	1945				
Dwellings	823	192	797	862	1012	1261	1090
Other-Private	289	83	105	209	273	343	196
Government	112(a)	172	134	75	25	150	41
Total	(b)	447	1036	1146	1310	1754	1327

(a) Second half 1939, earliest available. (b) Not available.

HOUSES PROJECTED AND COMPLETED (Metropolis) The following table sums up the progress of private and Government house building in the Metropolitan area to the end of April:-

SYDNEY AND SUBURBS.  
Number of New Houses, Private and Government

	Monthly averages -			1 9 4 6			
	1939	First half	Second half	Jan.	Feb.	Mar.	Apr.
		1945	1945				
Private permits issued	484	134	509	494	638	789	700
Private houses commenced	(a)	(a)	275	273	381	362	259
Government houses commenced	-	59	200	207	177	151(b)	127(c)
Total commenced	(a)	(a)	475	480	558	513	386
Private houses completed	465	(a)	(a)	119	166	219	180
Government houses completed	-	(a)	(a)	23	65	85	65(c)
Total completed	465	71	175	142	231	304	245

(a) Not available. (b) Excluding 31 flat units. (c) Excluding 131 military hut units commenced, and 105 completed, to the end of April.

BUILDING MATERIALS. The production of bricks and tiles has recovered from the effect of power restrictions in December but the output of bricks is still less than half that of 1939. Although production of tiles is now approaching pre-war level output of corrugated iron is only about one half of the pre-war level. The resultant shortage in roofing materials has been partly made good by a considerable extension in use of corrugated fibro cement sheets.

Production of local sawn timber has recovered from the effects of power shortage and holidays which had reduced output by nearly 25 per cent in December and January and output is now approximately 33 per cent above the pre-war level.

Current shortages of timber are due to a variety of factors principal of which are (a) imports of timber are still substantially below pre-war level. (b) shortage of brick supply creates a far heavier demand for timber-framed houses and (c) shortage of coastal shipping and of railway trucks impedes transport of local timbers to building areas and timber stocks have accumulated at country mills.

OUTPUT OF CERTAIN BUILDING MATERIALS, N.S.W.

	1939	1945 -	1946 -				
	Monthly average	Aug.	Nov.	Jan.	Feb.	Mar.	Apr.
Bricks (million)	31.6	8.9	8.3	10.9	10.4	9.6	14.2
Roofing tiles (million)	1.7	5	5	1.0	8	1.3	1.5
Timber (local sawn)							
(million super feet)	15.0	18.4	20.7	16.5	19.0	20.0	(a)

(a) Not yet available.

Employment in brickworks increased slightly in April, but was still only about half the pre-war level. The numbers employed in brick and tile works were only 2,000 in April compared with 1,600 last November and 1,050 in August 1945. The Housing Commission estimates that quota deliveries for the half-year ended June next will be short of its requirements by more than 60 per cent in the case of bricks, and by about two-thirds in the case of tiles, timber and fibrous plaster.

NEW SOUTH WALES RAILWAYS. Passenger traffic in the Easter season was particularly heavy, the April figures being  $12\frac{1}{2}$  per cent above those of the previous April. Goods traffic, however, is still below the level of the previous year.

N.S.W. GOVERNMENT RAILWAYS.  
(millions)

Year	Month of April			Ten Months ended April			
	Passenger Journeys	Goods & Livestock	Gross Earnings	Passenger Journeys	Goods & Livestock	Gross Earnings	Net Earnings
	No	Tons	£	No.	Tons	£	£
1939	15.1	1.19	1.58	156.3	12.5	15.8	4.21
1943	19.9	1.60	2.77	195.9	16.4	28.3	7.43
1944	20.9	1.42	2.65	207.5	16.1	28.8	6.79
1945	22.6	1.38	2.55	210.9	15.6	26.3	6.12
1946	25.4	1.38	2.66	222.1	13.5	26.0	5.71

Ø Gross earnings less working expenses. Available to pay interest etc. on railway loan debt.

GOVERNMENT TRAMS AND BUSES. Easter traffic was also heavy on the trams and buses, but once again gross earnings barely covered working expenses. Net earnings for the ten months ended April were less than half those of a year before.

N.S.W. GOVERNMENT TRAM AND BUSES - SYDNEY AND NEWCASTLE.

Year	Month of April			Ten Months ended April			
	Passenger Journeys	Gross Earnings	Working Expenses	Passenger Journeys	Gross Earnings	Working Expenses	Net Earnings
	Millions	£000	(a) £000	Millions	£000	(a) £000	(b) £000
1938-39	31.1	363	306	316.4	3740	3134	606
1944-45	43.4	463	427	453.5	4823	4342	481
1945-46	46.4	493	487	459.4	4882	4697	186

(a) Excluding depreciation. (b) Gross earnings less working expenses, available to meet interest, depreciation, etc. on loan debt.

MOTOR VEHICLES. The number of cars on the register is increasing not much more quickly than a year ago, and at the end of April was still 11 per cent below the figure of April, 1939. The number of lorries and vans, however, is rising more rapidly than in 1945, and exceeded the pre-war figure at the end of April by 23 per cent. Comparisons are:-

NUMBER OF REGISTERED MOTOR VEHICLES, N.S.W.  
(thousands)

	At end of April		Increase in ten months ended April		
	1939	1946	1939	1945	1946
Cars	214.7	190.6	+10.1	+ 4.2	+ 5.2
Lorries & Vans	76.4	94.0	+ 3.5	+ 4.1	+11.0
Total Vehicles (a)	325.6	320.4	+15.3	+10.8	+22.1

(a) Includes trailers, motor cycles, buses, cabs etc.



In March and April there was the first substantial revival of new vehicle registrations, as distinct from the renewal of registrations allowed to lapse during the war. The number of new cars was still very small, but the number of new lorries almost reached the pre-war figure:-

NUMBER OF NEW MOTOR VEHICLES REGISTERED, N.S.W.

	1939	1946 -			
	<u>April</u>	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>
Cars	1569	16	18	43	80
Lorries and Vans	<u>513</u>	<u>160</u>	<u>224</u>	<u>428</u>	<u>498</u>
Total Cars,lorries & vans	<u>2082</u>	<u>176</u>	<u>242</u>	<u>471</u>	<u>578</u>

PART II FINANCE AND TRADE.

TRADING BANKS, AUSTRALIA. Deposits in the nine trading banks in Australia continued to rise in March but were unchanged in April. Since the war ended in August 1945 the increase has been £61 million. This increase was still practically the same as in the corresponding period a year before, although a greater expansion might have been expected owing to the reversal of the downward trend of advances, a bigger increase in London funds, and larger wheat payments during the later period. The main compensating factor was apparently the considerable reduction in the increase in government securities, including Treasury bills, held by the trading banks and the Commonwealth Bank.-- and possibly in those held by the Savings Bank.

Another probable reason why bank deposits have risen less steeply than might have been expected is the fact that a considerable proportion of Government expenditure at present is being held by the recipients as savings bank deposits and bank-notes, instead of as trading bank deposits. This would be true of a large proportion of demobilisation pay and the increased social service disbursements. The relative influence of the various factors during the two periods is as follows:-

Increase + or decrease -

	<u>August 1944 to April 1945</u>	<u>Aug. 1945 to April 1946</u>
	£ million	£ million
Deposits, nine trading banks	+ 60.9	+ 61.0
Advances, " " "	- 10.4	+ 5.1
"London Funds", Comm. Bank	+ 13.6	+ 38.0
Wheat Board advances	19.2	35.3
Govt. securities and Treasury bills, trading banks & Comm. Bank	+ 49.9	+ 33.0
Savings bank deposits (Aust.)	+ 51.5	+ 65.0
Notes in hands of public (Aust.)	- 11.5 x	+ 13.0

(x Decrease mainly due to departure of U.S. forces from Australia)

The outstanding change in the month of April was a sharp increase of nearly £6 million in advances. At the same time the special deposits which the banks are obliged to hold with the Commonwealth Bank also increased by £8.6 million. As a result in April there was a decrease of £11.4 million in Treasury bills held by trading banks and £6.7 million in their cash. This is a large and very sudden drop in liquidity. It is presumably a reflection of the revival of demand for bank credit for expansion of private business.

Beside the increase in advances of the nine trading banks, the general banking division of the Commonwealth Bank has increased its advances by a further £8 m. since the war ended.

Movements in the nine trading banks' assets and liabilities in recent years and months were as follows:-



## NINE TRADING BANKS - AUSTRALIA

Liabilities and Assets within Australia, £ million.

Av. of Weekly Figures	Deposits			Coin, Notes, etc. & Cash at C'wealth Bank	Treas-ury Bills	Govt. & Municipi-pal Sec-urities	Special Wartime Depcsits with C'wealth Bank	Advances Dis-counts etc.
	Bearing Interest	Not Bearing Interest (C'wealth Bank)	Total					
1939-June	200.9	117.1	318.0	28.6	23.9	22.1	-	291.7
1942- "	192.0	195.9	387.9	40.4	39.6	56.3	36.4	268.3
1943- "	197.4	256.1	453.5	33.4	50.8	75.7	102.9	246.0
1944- "	219.9	314.6	534.5	38.0	55.4	89.1	182.8	221.8
1945- "	224.0	358.5	582.5	36.5	46.5	104.3	241.8	207.9
1944-Aug.	221.3	313.8	535.1	37.6	57.4	95.7	182.8	214.0
1945-Feb.	227.1	362.0	589.1	40.1	65.5	114.9	220.7	199.5
Mar.	228.1	369.8	597.9	39.9	66.8	115.8	230.4	198.5
Apr.	225.9	370.1	596.0	35.0	63.9	114.1	236.2	203.6
1945-Aug.	223.8	351.2	575.0	37.5	54.6	107.0	224.0	210.3
1946-Feb.	221.2	407.4	628.6	44.3	72.4	119.0	243.0	207.7
Mar.	218.1	418.0	636.1	41.5	74.1	120.7	248.9	209.5
Apr.	215.8	420.2	636.0	34.8	62.7	122.6	257.5	215.4

A peculiar feature of the banking figures in recent months is the disproportionate movement of advances in Victoria and the other States. The increase seems to have been concentrated in Victoria :-

Increase, September 1945 to April 1946 (all cheque-paying banks)

	Deposits	Advances
	£ million.	
New South Wales	+ 24.7	+ 2.1
Victoria	+ 15.8	+ 12.2
Other States	+ 23.4	+ 1.3
Total Australia	+ 63.9	+ 15.6

**SAVINGS BANKS.** In March and still more in April there was a marked check to the expansion of savings bank deposits in N.S.W. Instead of the £4 or £5 million monthly rises recorded for preceding months there was an increase of only £1.7 million in March and £0.5 million in April. The movements were:-

Savings Bank Deposits, New South Wales (£ million)  
- Monthly increase during -

1939	1945-		1946	1945-		1946-			
April	April	Aug.	April	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
86.2	189.6	204.8	230.9	+4.9	+4.8	+5.1	+4.0	+1.7	+0.5

The slackening in April cannot be due to the Easter seasonal movement alone. Demobilisation payments were still heavy and there must have been exceptionally heavy withdrawals to account for the small net increase in deposits. Nor can the movement be explained entirely by the Security Loan; larger loans in the same period of 1945 and 1944 had less effect on savings bank deposits. It is evident that withdrawals to meet current expenditure have been increasing. Retail sales in Sydney stores in March had already risen sharply, reaching a level nearly 50 per cent above that of the previous year. Some deposits would also have been withdrawn to finance home building.

**WAR SAVINGS CERTIFICATES.** A similar story is told by the movement in sales of War Savings Certificates. In April redemptions once again almost equalled sales. This trend, however, began when the war ended. Net sales since then have totalled less than half a million, compared with £2½ million in the same period a year before.

**NOTES IN HANDS OF PUBLIC.** Notes held by the public in Australia increased by nearly £4 m. during April, after four months of little change. This lends support to the conclusion that savings bank deposits were drawn on

heavily for retail purchases.

REAL ESTATE. Sales of real estate in April were heavier than in any month since 1939. The total for the eight months since August was slightly higher than for the same period of 1938-39. The value of mortgages currently being registered, as might be expected; is still well below pre-war levels, but has risen considerably in recent months. Comparisons are:-

	Eight months August to April (£ millions) -		
	<u>1938-39</u>	<u>1944-45</u>	<u>1945-46</u>
Real Estate Sales	22.4	14.6	22.5
Mortgages	16.9	4.8	8.9

STOCK EXCHANGE. Increases in ceiling prices were permitted for a further group of shares in April. The index of share prices accordingly advanced from 213.5 to 221.5. Movements by classes of companies were as follows. They reflect the incidence of ceiling-price revision rather than strength of demand.

INDEX OF SHARE PRICES - SYDNEY.

Prices of Ordinary Shares (excl. Bank). Par value = 100.  
(Compiled by N.S.W. Govt. Statistician).

Average for Month	Manufacturing and Distributing	Retail	Public Utilities	Pastoral and Finance	Insurance	Total 75 Companies	34 Active Shares
1937-Mar.	213.8	203.8	181.0	169.2	281.2	190.4	200.5
1939-Aug.	212.6	168.2	156.0	118.2	263.9	174.4	181.9
1941-Sept.	227.7	177.2	141.5	127.9	253.2	174.9	181.3
1942-Mar.	173.0	138.3	120.8	110.3	213.7	140.6	147.0
1945-Apr.	242.3	207.3	170.2	148.8	264.6	195.7	210.0
Aug.	242.3	207.3	170.3	146.8	264.6	195.6	209.9
1946-Feb.	266.2	226.5	182.3	154.0	291.5	213.0	229.2
Mar.	267.3	227.6	184.0	157.2	292.6	213.5	230.3
Apr.	278.9	236.8	190.2	161.8	306.2	221.5	240.1

COMMONWEALTH ACCOUNTS. With higher tax and loan receipts the Commonwealth Treasury reduced its outstanding Treasury bills in April, and increased its bank deposits, but its use of short-term borrowing during the financial year was still higher than during the corresponding ten months of the previous year:-

	Increases during ten months ended -	
	<u>April 1945</u>	<u>April 1946</u>
	£ million	
Treasury bills	+17.0	+28.5
Bank balances	+ 8.8	+ 0.7
Net short-term debt	+ 8.2	+27.8

Total expenditure from revenue and loan was 8 per cent below the level of the former period. A reduction of 13 per cent in war expenditure was partly offset by an increase of 33 per cent in social services expenditure. The principal changes were as set out below. The expansion of customs revenue continued during April.



## COMMONWEALTH REVENUE AND EXPENDITURE

	<u>Ten months ended April</u>		
	<u>1945</u>	<u>1946</u>	<u>Change</u>
	£ millions		
REVENUE			
Customs & Excise .....	55.9	62.9	+ 7.0
Income Tax .....	138.4	140.9	+ 2.5
Sales Tax .....	24.5	26.8	+ 2.3
Other Taxes .....	20.5	21.2	+ .7
Business Undertakings .....	25.3	24.9	- .4
Other .....	5.8	6.0	+ .2
Total revenue .....	<u>270.4</u>	<u>282.7</u>	<u>+12.3</u>

EXPENDITURE			
War (1939-45) .....	387.0	337.1	-49.9
Social services .....	32.8	44.5x	+11.7
Payment to States .....	13.8	13.5	- 0.3
Income Tax reimbursed to States .....	21.9	23.2	+ 1.3
Other .....	52.6	55.7	+ 3.1
Total expenditure .....	508.1	474.0	-34.1

(Expenditure from loan included above 237.7 184.5 -53.2)  
 x Includes £6.8 m. spent from National Welfare Fund balance held at  
 30th June 1945. . . . .

NEW SOUTH WALES ACCOUNTS. Owing mainly to higher reimbursements of income-tax from the Commonwealth in April the current deficiency in the State accounts was reduced by £1m. to £.2m. for the ten months ended April. The corresponding figure for the same ten months of 1944-45 was a surplus of £1m. (Omitting expenditure and revenue items arising out of the redemption of Treasury bills).

NEW SOUTH WALES GOVERNMENT ACCOUNTS.

Revenue (£ millions)				Expenditure (£ millions)			
Ten months ended April-				Ten months ended April			
	1945	1946	Change		1945	1946	Change
From Commonwealth	12.6	13.0	+ .4	Net debt charges	12.5	12.5	-
State taxation	4.3	5.1	+ .8	Governmental	17.6	18.6	+1.0
Other governmental	6.4	5.8	- .6	Business undertakings	25.6	26.0	+ .4
Business undertakings	33.4	32.9	- .5	Total expenditure	55.7	57.1	+1.4
Total revenue	56.7	56.9	+ .2				
Net deficiency.....	-	.2		Net surplus .....	1.0	-	

RETAIL TRADE, SYDNEY. The value of sales in the large retail stores in March was 48 per cent above the level of the previous March. This was not all due to increased deliveries from the factories, however, as stocks were lower by 11 per cent. The movements in recent months were:-

RETAIL TRADE - EXPERIENCE OF LARGE SYDNEY STORES

Percentage increase + or decrease - on same month of previous year.

	1945 -					1946 -		
	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Value of Sales	+17	+21	+38	+41	+18	+25	+37	+48
Value of Stocks	+12	+10	+ 5	+ 4	-5	-6	-10	-11

Stocks are now being turned over very quickly, and in view of the heavy demand it is unlikely that they will be built up again for a long time. The stock position has eased in the non-clothing lines (despite heavy demand) but has been progressively deteriorating in most of the clothing groups. This is an indication of where production is failing to meet public demand:-

Percentage increase + or decrease -, March 1945 to March 1946.

<u>Clothing</u>	<u>Sales</u>	<u>Stock</u>	<u>Non Clothing</u>	<u>Sales</u>	<u>Stock</u>
	%	%		%	%
Dress piece-goods	+52	-24	Household piece-goods	+41	-7
Women's wear	+41	-16	Furniture	+68	+5
Men's & boys' wear	+55	-17	Hardware	+66	+8
Boots & shoes	+59	-16	Miscellaneous	+33	-7

Reports of field officers indicate that clothing stocks in Sydney were even lower in June quarter than in March quarter, the worst shortages being in men's suits, shirts, socks and hats, women's stockings and frocks, and shoes generally.

OVERSEA TRADE, AUSTRALIA. The main interest in overseas trade at the present time lies in the rate at which civil imports are entering the country. In terms of value, civil imports in January, February and March were £10 m., £8m. and £9m. respectively, compared with a monthly average of £6½ m. in 1945 and £6½ m. in 1939. (values in sterling). In terms of volume they would probably still be below pre-war levels, and in particular classes there are serious shortages. These are due less to the termination of Lend-Lease, as has been suggested, than to supply and transport difficulties overseas.

Australia's import trade is now being carried on on an essential-goods licence policy. When the United States announced the end of Lend-Lease in September the Australian Government had to decide how much of its orders were to be proceeded with on cash terms and how much were to be cancelled. Purely military orders were cancelled, supplies of essential goods already "in the pipe-line" were delivered on terms which will be determined in the general Lend-Lease settlement now under negotiation, and the essential goods which the Government was prepared to continue purchasing in America were re-ordered on cash terms. In practice the latter goods were handed over as far as possible to ordinary commercial channels, under import licence; the main commodities still under Government purchase are tinplate and raw cotton.

Comparisons of imports by main commodities are:-

Imports into Australia		Ten months ended April-			
of-		1939	1945	1946	
		(&stg. millions)			
Tea	.....	2.1	2.0	3.0	3.8
Tobacco, unmanufactured	..	1.4	2.8	2.9	3.4
Cotton, raw	.....	.2	1.2	1.2	1.2
Cotton yarn	.....	.3	1.2	1.4	.8
Cotton & linen piece-goods		4.0	5.1	4.8	7.3
Artificial silk yarn	....	.4	.9	1.0	1.2
Silk & Artificial silk piece-goods		2.1	4.0	5.4	5.0
Tinplate		1.5	3.2	3.3	2.2
Printing paper		2.2	1.5	1.5	1.8

These figures include all imports, civil and military combined. Nearly two-thirds of the cotton and linen piece-goods imported in 1944-45 were military.

Whether the proposed U.S. loan to the United Kingdom will enable an easing of import licensing in Australia depends upon the settlement reached as to the disposal of Australian sterling balances held in London.

Exports for the ten months totalled £A<sup>146.3</sup>146.3 m., compared with £A126.3 m. in the same period of 1944-45.



Considerable increases were shown, among other items, in exports of piece-goods, apparel and attire, and iron and steel:-

Ten months ended April -

Exports from Australia of -	1939 (£A Millions)	1945	1946
Wool greasy and scoured . . . . .	38.4	39.3	48.9
Wheat & flour . . . . .	10.9	15.9	10.7
Beef . . . . .	3.5	1.3	2.7
Lamb . . . . .	4.3	3.2	1.0
Preserved meat . . . . .	.4	3.6	5.2
Rabbit skins . . . . .	.4	3.3	4.6
Sheepskins . . . . .	2.1	1.2	3.5
Iron & steel . . . . .	1.5	.9	2.0
Pig lead . . . . .	3.6	4.7	3.3
Piece-goods . . . . .	.1	.8	1.9
Apparel & attire . . . . .	.1	.4	2.7

Comparison of total Australian imports, civil and military, with total exports is as follows:-

Ten months ended April -

	1939 (£A millions)	1945	1946
Merchandise exports	101.4	126.3	146.3
Merchandise imports	103.5	194.9	162.6
Commodity balance	2.1	68.6	16.3

The statistics for the last period still include some Lend-Lease imports.

Lend-Lease Settlement. Under the terms of the Lend-Lease settlement between the United States and Australia announced since the above was written, the amount which Australia is to pay in cash is fixed at 27 million dollars (£A8.4 million). The general principle adopted is that payment should be made in respect of the post-war value of the goods to Australia. Of the 27 million dollars to be paid, 6.5 million dollars is for the purchase of American surpluses in Australia and Australian territories, 8.5 million dollars for machine tools supplied under Lend-Lease, and 5 million dollars for non-combat aircraft and other capital equipment and 7 million dollars to be spent within Australia on projects to promote cultural relationships of the two countries, including scholarships and buildings.

The principle of payment for post-war use is the type of ultimate settlement generally contemplated in Australia and the United States at the time Lend-Lease was introduced. There have been some doubts, however, as to the tenure on which machine-tools and other capital equipment were being obtained from the United States, and the freedom of disposal provided by the settlement agreement clears up this matter satisfactorily.

PART III RURAL INDUSTRIES.

THE SEASON. In April useful rain fell in the coastal and tableland areas, but in May there was little rain anywhere in the State. Pastures have been well maintained in most of the coastal dairying districts, but in many of the inland areas they have begun to deteriorate, especially in the North-west Plains, where stock are reported to be falling off and hand-feeding is said to be fairly general. Elsewhere the condition of stock has generally been maintained so far and water supplies are adequate. Lambing results so far have been satisfactory.

The rainfall index to the end of May was as follows:-

RAINFALL INDEX, NEW SOUTH WALES.

Weighted average ratio of actual to normal rainfall.

Normal rainfall each month = 100

Period	Dairying Districts	Sheep Districts					Wheat Districts			
		N	C	S	W	State	N	C	S	State
1944 (year)	79	66	54	53	53	57	68	51	52	53
1945 (year)	109	99	101	86	77	93	95	100	84	89
1946 Jan.	77	153	100	166	236	151	130	110	184	158
Feb.	140	95	129	327	228	195	49	153	363	269
Mar.	160	66	76	105	43	79	48	76	113	95
Apr.	152	66	90	61	14	65	60	78	48	57
May	18	39	40	53	24	42	37	35	49	43

WOOL. Much interest in United Kingdom and in Australia is being taken in the question of the level of minimum reserve prices at which wool will be offered when auction selling is resumed next season. This will be decided by the Joint Organisation controlling the disposal of Dominion wool supplies. The main consideration will be to choose prices which will lead to the disappearance of accumulated stocks at the desired rate, with due regard to the market situation in future years. This will be particularly important in the case of the lower-grade wools, which predominate in the stocks left over from the wartime years.

The great increase in the demand for wool in the United States during the war, the decline of domestic supplies, and the heavy inflow of imported wool in spite of tariff barriers, are shown in the following figures:-

U.S.A.: APPAREL WOOL. PRODUCTION AND NET IMPORTS FOR CONSUMPTION.

	<u>Production (a)</u>	<u>Net imports for Consumption (b)</u>
	(millions of pounds weight)	
Average, three years ended 1939	426	92
Calendar year 1940	437	223
1941	456	614
1942	459	780
1943	450	612
1944	418	575
1945 (c)	390	650

(a) Greasy basis. (b) Actual weight, but mainly greasy. (c) Partly estimated.  
Source: International Wool Secretariat, Wool Digest.

The figures of imports exclude wool sent by the United Kingdom to the U.S.A. for storage, but include in 1942 a large quantity imported and stored as a strategic reserve. Most of the latter, however, had been sold to domestic mills before the war ended. The table as a whole provides a background to the President's recent recommendation that assistance to domestic woolgrowers in future take the form of subsidy rather than tariff increases.

The next series of appraisements in Sydney will be held from June 11 to 28.



WHEAT. In the five months ended April the wheat equivalent of wheat and flour exports from Australia totalled 19.8 million bushels, compared with an estimated exportable surplus for the wheat year ending November next of 60 million bushels. Actual shipments in April totalled 7.2 million bushels, but the waterfront dispute will have affected loadings in May. There is need for a considerable expansion of exports if anything is to be contributed by Australia above the original official estimate to meet the wheat crisis in Europe and Asia which has been developing in recent months.

Prices of certain stock-feed grains are to be guaranteed for a further year. Prices for 1946-47 will be : Feed barley 3s. bushel; feed oats 3s., and grain sorghum 3s.7d. It is hoped that the guaranteed prices will ensure adequate production and enable the maximum quantity of wheat to be used for export.

DAIRYING. Production of butter in factories in New South Wales declined seasonally in April but was slightly above the level of April last year. Production for the season to date, however, is still well below the pre-war level:-

N.S.W. PRODUCTION OF BUTTER IN FACTORIES.  
(in thousands of tons)

	<u>First six months</u>	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>	<u>Ten months ended April.</u>
Average three years ending 1939-40	24.2	5.5	5.3	5.1	4.5	44.6
Year 1944-45	15.7	3.6	3.0	3.7	2.6	28.5
Year 1945-46	16.1	3.6	3.6	3.8	2.8	29.9

Owing mainly to some improvement in Victoria and New South Wales the total output of Australian butter factories has passed the previous year's level in recent months. In the nine months ended March, 1946 production totalled 117.8 million lb, compared with 115.8 million lb in the same period of 1944-45. This was still 25 per cent below the level of the pre-war average.

According to official estimates, exports of butter from Australia in 1945-46 will reach 70,000 tons. This implies a considerable expansion in the remainder of the year, as actual exports in the ten months ended April were 50,100 tons. The corresponding figure last year was 35,800 tons, and in 1939, 83,100 tons.

A reduction in the rate of seasonal subsidy, offsetting a higher rate of monthly pay, caused a drop in the return per lb. of butter to suppliers of certain North coast factories in April. The rate of pay in April was 19.00 d per lb., excluding deferred pay to be determined after June.

PAY TO SUPPLIERS OF CREAM TO CERTAIN NORTH COAST BUTTER FACTORIES.  
NEW SOUTH WALES.

Pence per lb. of commercial butter.

Component	Month of April				1946	
	1939	1943	1944	1945	March	April
Monthly Pay	d.	d.	d.	d.	d.	d.
Monthly Pay	12.25	13.79	14.00	15.03	15.21	15.61
Deferred Pay	1.06	1.12	1.19	(a)	(b)	(b)
Subsidy	-	3.80	5.34	4.60	5.04	3.39
				(c)	(c)	(c)
Total Pay	13.31	18.71	20.53	19.63	20.25	19.00

(a) Not available. (b) To be fixed after June. (c) Excluding deferred pay.

EXPORTS OF FOODSTUFFS. The following table summarises the results of the first ten months of 1945-46:-

EXPORTS OF FOODSTUFFS FROM AUSTRALIA.

Ten months ended April -

	<u>1939</u>	<u>1945</u>	<u>1946</u>
Wheat (million bushels)	51.3	32.4	6.5
Flour, wheaten (million centals)	11.7	19.5	7.1
Butter (million lb)	186.2	80.1	114.0
Cheese (million lb)	30.6	28.6	28.1
Beef (million lb)	221.9	48.9	104.8
Lamb (million lb)	152.6	107.9	34.2
Mutton (million lb)	25.9	32.5	16.8
Pork (million lb)	23.3	35.5	28.2
Canned meat (million lb)	11.9	66.5	90.8
Sugar (thousand tons)	442.8	75.5	126.6